

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0580-14  
Bill No.: Truly Agreed To and Finally Passed CCS for HCS No. 2 for SS for SCS for SB 3  
Subject: Mental Health; Mental Health Dept.; Disabilities; Crimes and Punishment  
Type: Original  
Date: June 19, 2007

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Bill Summary: Enacts provisions on mental health reform.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Unknown greater than \$100,000)</b>	<b>(Unknown greater than \$100,000)</b>	<b>(Unknown greater than \$100,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
State Schools Moneys	0*	0*	0*
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0*</b>	<b>\$0*</b>	<b>\$0*</b>

\* Unknown fines and penalties collected and distributed to schools nets to \$0.

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 9 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
<b>Local Government</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>

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## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Insurance, Financial and Professional Regulation, Department of Social Services, Department of Public Safety (DPS) - Director's Office, DPS - Missouri State Highway Patrol, Office of the Governor, and Office of State Treasurer** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Office of Attorney General** assume any costs arising from this proposal can be absorbed with existing resources.

Officials from the **Department of Mental Health (DMH)** state the proposal will have no fiscal impact on the DMH. The DMH will provide Customer Information Management, Outcome and Reporting (CIMOR) training to the hotline staff at the Department of Health and Senior Services. They will receive basic training on how to access screens to determine if the call is a current or past client of the DMH. The DMH will absorb these training costs.

The DMH also states that with the addition of "suspicious" in Section 630.925.3 in regards to death review, the DMH now assumes this would be a small number of reviews and the cost would be absorbed by the DMH.

Officials from the **Office of Secretary of State (SOS)** state the fiscal impact for this proposal is less than \$2,500. The SOS does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the SOS can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the costs of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the Governor.

Officials from the **Office of State Public Defender (SPD)** assume the new crimes would create new cases for the SPD. The exact number of cases affected is too uncertain to provide a definitive dollar amount of fiscal impact. Nevertheless, there will some impact.

Since the amount of impact is so uncertain, the SPD is assuming existing staff will probably be able to provide representation in these cases initially. However, once the true fiscal impact is determined, the SPD will reassess the impact of the legislation. Passage of more than one bill increasing existing penalties or creating new crimes would require increased appropriations for the SPD.

ASSUMPTION (continued)

Officials from the **Department of Health and Senior Services (DOH) - Division of Senior and Disability Services (DSDS)** assume that the calls of reports of abuse of a "vulnerable person" as defined in the legislation would be received by the DSDS Central Registry Unit (CRU) hotline in DOH and referred to the Department of Mental Health (DMH) for investigation by DMH staff as required in Section 630.1100.

The DSDS cannot estimate at this time the increase in the volume of phone calls that will result from the expanded utilization of the CRU hotline. A significant increase would result in additional staff needs. In FY 2006, 16.99 staff were assigned to the CRU hotline. Those 16.99 FTE received a total of 63,296 calls; 16,815 of those calls were reports of abuse, neglect, or financial exploitation (A/N/E) of non-institutionalized elderly or disabled persons. The ratio of A/N/E calls averaged 990 per FTE per year. Presently, the CRU is receiving a significant portion of mental health related calls. The DSDS would defer to DMH to determine an estimate of increased call volume due to this proposal, and will at this time assume that call volume increases will be absorbed by current staff. However, if the increase is substantial (i.e. greater than 990 calls/year), the DSDS would need to request funds and FTE to ensure proper handling of A/N/E calls to the CRU hotline. Also, the CRU hotline is presently operating at near capacity. If the volume of calls grows significantly, upgrades to the hotline equipment and voice-recording devices (all calls are recorded) will be required.

The DSDS policy states that Division staff will investigate in all cases where a referral is not able to be made (i.e., the referral agency will not accept the referral). If the CRU receives a significant number of additional calls that cannot be referred to another agency for investigation, DOH may need additional staff to conduct investigations. It is unknown how many investigations will be able to be referred to the DMH and the Department of Social Services, and how many additional investigations DOH would be required to do due to the increased volume of calls received by the CRU. It takes DOH an average of 15.88 hours to investigate an allegation of A/N/E. One Home and Community Service (HCS) field staff can investigate approximately 131.49 investigations per year (2080 hours per year/15.88 hours per investigation).

The DOH assumes that the increase in the number of reports of abuse, neglect, and financial exploitation and subsequent need to investigate such reports will be substantial. This will result in a fiscal impact of unknown, but greater than \$100,000.

Officials from the **Office of Prosecution Services (OPS)** state the proposed legislation includes provisions for new criminal acts and, therefore, creates new obligations for prosecuting attorneys. Any increase in the number of cases referred for criminal prosecution and any new statutory obligations for prosecutors will have an additional fiscal impact on County Prosecutors.

ASSUMPTION (continued)

Generally, the prosecution of felonies requires more time and attention than misdemeanor cases. However, the OPS is not able to establish an estimate of the number of additional criminal cases that would be referred to the County Prosecutors for charges because of this proposed legislation. It is therefore, not possible determine if the proposal would have a significant direct fiscal impact on county prosecutors of the OPS.

**Oversight** notes language in the proposal provides for an increase in civil penalties from \$100 to \$10,000 for each day a provider is in noncompliance with of the provisions of this proposal. Civil penalties are to be deposited in the State Schools Moneys Fund. **Oversight** assumes unknown penalties may be collected as a result of this proposal. **Oversight** also notes that if penalties are collected, a reduction in General Revenue transfers to schools will occur for the amount of penalties collected. However, since it is unknown whether any penalties will be collected, **Oversight** is not presenting this in the fiscal note.

Officials from the **Department of Corrections (DOC)** state the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost either through incarceration (FY 06 average of \$39.43 per inmate per day, or an annual cost of \$14,394 per inmate) or through supervision provided by the Board of Probation and Parole (FY 06 average of \$2.52 per offender per day, or an annual cost of \$920 per offender). Supervision by the DOC through probation or incarceration would result in additional unknown costs to the DOC. Seven (7) persons would have to be incarcerated per fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
<b>GENERAL REVENUE FUND</b>			
<u>Costs - Department of Health and Senior Services</u>			
Increase in hotline calls and investigations	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)
<u>Costs - Department of Corrections</u>			
Increase in incarceration and parol costs	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
<b>ESTIMATE NET EFFECT ON GENERAL REVENUE FUND</b>			
	<b><u>(Unknown greater than \$100,000)</u></b>	<b><u>(Unknown greater than \$100,000)</u></b>	<b><u>(Unknown greater than \$100,000)</u></b>
<b>STATE SCHOOLS MONEYS FUND</b>			
<u>Fines and Penalties</u>	Unknown	Unknown	Unknown
<u>Transfer-Out - Schools</u>			
Transfer-out of fines and penalties	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON STATE SCHOOLS MONEYS FUND</b>			
	<b><u>\$0*</u></b>	<b><u>\$0*</u></b>	<b><u>\$0*</u></b>
<b>* Unknown fines and penalties collected and distributed to schools nets to \$0.</b>			

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
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**LOCAL GOVERNMENTS -  
PROSECUTING ATTORNEYS**

Costs - Prosecuting Attorneys

Increase in criminal prosecutions	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>
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**ESTIMATED NET EFFECT ON  
LOCAL GOVERNMENTS -  
PROSECUTING ATTORNEYS**

	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
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**LOCAL GOVERNMENTS -  
SCHOOLS**

Transfer-In - State Schools Moneys Fund

Fines and penalties	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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**ESTIMATED NET EFFECT ON  
LOCAL GOVERNMENTS -  
SCHOOLS**

	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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FISCAL IMPACT - Small Business

Small business in-home providers would be required to ensure their staff are trained on reporting requirements.

FISCAL DESCRIPTION

This proposal modifies various provisions relating to mental health.

**VULNERABLE PERSONS**

This act defines "vulnerable person" as any person in the custody, care, or control of the department that is receiving services from an operated, funded, licensed, or certified program. This proposal also creates the crime of "vulnerable person abuse" and provides for mandatory reporting of suspected vulnerable person abuse as well as investigation protocols. (Sections 565.210 to 565.220, 630.005, 630.163)

## FISCAL DESCRIPTION (continued)

### CIVIL IMMUNITY AND ADMINISTRATIVE PENALTIES

This proposal gives civil immunity to employees of the Department of Mental Health and contract providers who engage in discussion with the intent to help ensure that facilities and providers are aware of past history of potential employees that might create a danger to clients. (Section 630.950)

This proposal increases the penalty for community providers who do not correct problems cited by the Department of Mental Health in licensing inspections. The current fine is 100 dollars per day. This proposal increases the penalty for up to 10,000 dollars per day. (Section 630.755)

### LICENSURE

The Department of Mental Health shall notify the Department of Health and Senior Services within ten days of revoking a license of an operator of a facility. If the Department of Health and Senior Services has not already done so, the department shall, within 30 days of such notice, initiate an investigation of the facility to determine whether licensure action is appropriate. (Section 630.725)

### MENTAL HEALTH FATALITY REVIEW PANEL

This proposal establishes a mental health fatality review panel to review all suspicious deaths of clients of the Department of Mental Health. (Sections 630.925 to 630.927)

The director of the Department of Mental Health shall promulgate rules, guidelines and protocols for hospitals and physicians to use to help them identify suspicious deaths of clients in the care and custody of the department. (Section 630.975)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

L.R. No. 0580-14

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SOURCES OF INFORMATION

Office of Attorney General

Office of State Courts Administrator

Department of Insurance, Financial and Professional Regulation

Department of Mental Health

Department of Corrections

Department of Health and Senior Services

Department of Social Services

Department of Public Safety -

Director's Office

Missouri State Highway Patrol

Office of the Governor

Office of Prosecution Services

Office of Secretary of State

Office of State Public Defender

Office of State Treasurer



Mickey Wilson, CPA

Director

June 19, 2007